

Co-Operation for the Development of Latin- American Trade

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CO-OPERATION FOR THE DEVELOPMENT OF LATIN-AMERICAN TRADE.

The doors of opportunity are opening for Mobile. Within less than a year ships will be passing through the Panama Canal. Localities in many parts of the United States are expecting to derive great benefits from this shorter waterway to the west coast of Central and South America and to all the markets of the Pacific Ocean. I know of no city the expectations of which with respect to the Canal rest on a firmer foundation than those of Mobile. No harbor in the United States has a more favorable geographical relation to the Canal than yours. With your rail lines to the North and branching out over the entire South-eastern Section, Mobile is a logical point for the concentration of export business, not only from the South, but from the entire Mississippi Valley, and for the distribution of imports over the same vast area.

Trade between the United States and Latin-American countries is steadily increasing. A large share of that trade with the West Indies and Central America is now moving through Mobile, and the gratifying success which has been attained by direct steamship service between Mobile and the ports of Argentina and Uruguay has shown what can be done in the development of traffic through the port of Mobile between the United States and the South American countries.

If the people of the South are to reap the maximum benefit from their favorable geographical relation to the Latin-American countries there is no time to be lost. The successful construction of the Panama Canal, where the great prestige of De Lesseps and of France had failed, is directing the attention of the Latin-American republics to their big sister of the North to a greater extent than ever before. It is a tremendous advertisement of the constructive genius of the American people.

Those of us who are engaged in trade, know that the American people construct other things besides canals, and that it is the other things which they have for sale. Our commercial instinct should not then suffer a good advertisement to be confined to glory. We, who live in, and work for, the South, can follow Uncle Sam's flag through the Canal without detriment either to our patriotism or our pocketbooks.

The present is the psychological time for our Southern merchants and manufacturers and for the people of our Southern ports to enter upon a practical campaign of trade expansion, not only in the markets that will be reached through the new waterway, but with all of the countries of Central and South America. The men who are first on the ground will have an immense advantage over those who wait until ships are actually passing through the Canal before making a move. Let us then take advantage of our geographical opportunity, and, as the phrase is, beat the Yankees to it. We have in the past given them what it is now the fashion to term "fair competition," and we should not now forget that our fathers taught us to fight intelligently as well as gallantly for the Southland.

If we are to reap the greatest benefits from the Canal and from the advantages which it has given us we should not only go after the Latin-American trade, but should do it intelligently. We should know exactly what the markets want; we should know just where in the South the goods that are in demand can be obtained, or may be manufactured; we should know just what each South American country has to sell which we in the South can use economically, and we should then seek to develop trade in both directions and secure its movement through our Southern ports.

Unquestionably the best way for a manufacturing concern in the South to build up an export business to the Latin-American countries is by sending its own representatives to those countries. Some of our farsighted manufacturers are doing this now, but the expense of such a campaign will perhaps deter many concerns without previous experience in foreign markets from making the effort on their own sole account. I believe, therefore, that some kind of co-operative effort will produce the best results. Because I believe that we in the South have here a great opportunity, and because the companies I represent are dedicated to the service of the Southern people, we have sought how we might capitalize this opportunity and I venture, as a result, to make a suggestion which, after consultation with experts in Latin-American trade, I believe to be practicable.

We suggest the formation of a co-operative association of Southern commercial organizations, Southern manufacturers, Southern merchants, and Southern railroads. This association should employ a highly qualified expert with broad and detailed knowledge of the markets of the Latin-American countries and of the products of those countries. He

should know the establishments in the South that are engaged in the manufacture of goods that the Latin-American people want. As to the lines not now manufactured in the South, he should know where they can be manufactured in the South, or lacking that, where in the United States they can be obtained for shipment through Southern ports. He should know the people in the South and in the territory accessible through Southern ports who want anything which is, or can be, produced in the Latin-American countries. Then, in addition to sending out circular letters as to trade opportunities, he should, by personal visits, acquaint each Southern manufacturer with the opportunities that exist for his particular line of goods and should advise consumers of Latin-American products where they can get them in our Southern territory and how they can be shipped through Southern ports. When a Southern manufacturer is found who wants to make an effort to introduce his goods in some particular South American market the expert should put him into relations with houses dealing in similar goods in that market, should translate his letters and circulars into Spanish, or into Portuguese for Brazil, see to it that all dimensions and weights are stated in the metric system, and give him instructions on the very important point of the method of packing desired for that particular market. This expert should alternate between visiting manufacturers and merchants in our Southern States and visiting the Latin-American markets. He should maintain relations with the diplomatic representatives of Latin-American countries in the United States and with commercial bodies in South America to enable him to obtain advance information relative to the special wants of the markets of their countries, as to prospective governmental or private purchases, and as to the letting of contracts for materials or construction.

I suggest the employment, in the first instance, of a single agent. It would be necessary, of course, for him to have clerical assistance, and, as the work developed, he would doubtless require one or more men with something of his own qualifications to work under his direction in the United States and in the Latin-American countries. If there shall be inaugurated a co-operative organization such as I have outlined or on somewhat similar lines, the office of which shall be to enable our Southern people to take advantage of our trade opportunities in South America, the Southern Railway Company and its associated companies will participate in it and contribute their fair proportion of its cost. I have the assurance of the Director of Consulates in the United States De-

partment of State that, in pursuance of the policy of the Department to aid in building up foreign trade, the consular force in the Latin-American countries will co-operate with such an organization and that, upon receipt of requests from prospective exporters, special official reports as to the markets for specific commodities in specific localities will be forthcoming from consular agents.

In anticipation of the completion of the Canal and of the demand for information relative to Latin-American trade, our companies have had made a special study and report on all phases of this subject. A man, who is perhaps better informed than any other in the United States on Latin-American trade in all its details, made a trip from Panama down the west coast of South America to Valparaiso, across to Buenos Ayres, and up the east coast. His report, which has recently been submitted to me, is full of valuable suggestion and this information is freely at the disposal of any one along our lines who is in any way interested in the subject.

Whether or not such an organization as I have proposed shall be perfected, our railway organization stands ready at all times to aid, in every way that we reasonably and properly can, every one along our lines who is seeking a wider market, and if any one who is interested in the opportunities for marketing any particular product in any Latin-American market will write to me, I shall be glad to make available to him, not only such information as we have in our own reports, but such additional information as may be obtained from the various government offices in Washington.

Direct and regular steamship service is essential to the largest development of ocean-borne commerce. Tramp steamers have their place where occasional full cargoes of a single commodity are to be moved, but, if passenger service and the movement of miscellaneous commodities is to be developed through any port, regular sailings by established lines are necessary. You have seen the effects of such service since the establishment of your line to the River Plate ports. The development of your trade with the west coast of Central and South America and with other Pacific ports may best be promoted if the opening of the Canal shall be followed by the inauguration of direct steamship service. This is another reason why, if you in Mobile are to reap the full benefit of the Canal, you should lose no time in perfecting your plans and getting them under way. Steamship owners are looking out for business, but they can not be expected to assume the risk of establishing lines without

some assurance of regular cargoes. However, business through the Canal will all be new; you will stand in the same relation toward it as all other ports of the United States, with the advantage of being nearer to it than most of them. If the Mobile Chamber of Commerce can show a reasonable expectation of the development of a profitable business, I believe I may confidently predict that you will have little difficulty in securing regular service. I can assure you that, on the inauguration of steamship service to Latin-America from any port served by the Southern Railway Company and its associated companies, our freight traffic organizations will do all in their power to secure shipments through that port.

The development of Latin-American trade will open a splendid field for the young men of the South and, in this connection, I can not emphasize too strongly the importance of training men especially for work in that field. This is a matter that I believe may well have renewed attention from those who administer the educational institutions of the South. I suggest for your consideration that the Chamber of Commerce of Mobile may do practical and helpful work in this matter by securing the inauguration, in the higher grades of your city schools, of a special course to fit young men to engage in business with South America. Such a curriculum will, of course, include the study of the Spanish and Portuguese languages, the history of the Latin-American countries and their commercial geography. Young men with an education along these lines are sure to find broadening opportunities for service to our Southern country, not only as traveling and resident representatives of Southern exporters in the Latin-American countries, but as managers of the export departments of Southern concerns which may enter this field.

One thing which I believe we should keep constantly in mind is that, while the opening of the Canal and the turning of the limelight of the world upon Central and South America is going to stimulate the development of those countries and enlarge their trade, we, in the United States, shall have to fight for every dollar's worth of business that we get. It will not come to us unsolicited. I am confident, however, that, with the commercial organizations, the manufacturers, merchants, and railroads of the South all pulling together we shall succeed.

